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SIPDIS

SENSITIVE

STATE PASS TO USTR (JSANFORD)  
COMMERCE PAS TO USPTO  
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TAGS: [KIPR](#) [ETRD](#) [FR](#)

SUBJECT: FRANCE: 2005 SPECIAL 3001 REVIEW

REF: STATE 30875

[11.](#) (U) Per reftel, post has reviewed intellectual property rights protection in France, focusing most recently on piracy of optical media, GOF efforts to prevent unauthorized procurement and/or use of software, and compliance with TRIPS obligations. Post provided reftel points and industry comments to the Finance Ministry's Directorate of the Treasury and Economic Policy and has solicited comment.

[12.](#) (U) Combating piracy and intellectual property theft has become an important priority for the French government in [2004](#). In their 2005 Special 301 submissions, neither the International Intellectual Property Alliance nor the International Anticounterfeiting Coalition identifies France among countries where IPR problems merit USG action. However, comments were received from the Pharmaceutical Manufacturers association of America (PHRMA) as well as BIO, the Biotechnologies Industry Organization.

[13.](#) (U) In June 2004, the French government launched a major initiative to fight piracy and counterfeiting, reported previously. The initiative, which has been well coordinated with industry, focuses on improved domestic customs enforcement and increased international cooperation, within the EU and with third countries. The plan, unveiled by then-Finance Minister Nicolas Sarkozy (and dubbed the "Sarkozy" plan), involves a major public awareness campaign as well. Key industry associations have lined up publicly with the government and offered advice and support.

[14.](#) (U) Piracy and Counterfeiting: Stepped-up customs training and enforcement at airports and borders have resulted in both higher seizures of counterfeit goods, and resulted in a higher profile for the government in fighting this issue. The French government has made highly visible efforts on France's land border with Italy, near the Italian coast town of Ventimiglia, which the GOF claims is a distribution center for pirate goods imported from China. The GOF has pressed this issue with Italian counterparts in bilateral meetings. Officials at Charles de Gaulle airport have also seen higher cargo seizures in 2004 including pirate pharmaceuticals as well as apparel, media and jewelry.

[15.](#) (U) Fighting increased Internet piracy has been industry's main focus in 2004, though success has been difficult to assess. The GOF is establishing an "observatory" to assess benchmarks and statistical progress this year. Nevertheless, piracy continues to expand at alarming rates, as a result of increased broadband penetration and the growing popularity of peer-to-peer file sharing. In 2004, the industry association ALPA (Association de Lutte Contre la Piratie Audiovisuelle -- Association for Combat Against Audiovisual Piracy) reported increased police actions against operators of Internet sites, creators of Internet portals enabling illegal downloads and other types of piracy involving movie file-sharing. The industry works closely with the U.S. Motion Picture Association. This year's efforts have been helped by a closer working relationship with Internet Service Providers (ISPs).

[16.](#) (SBU) GOF Commitment: After unsuccessfully raising the IPR issue at the G-8 Sea Island summit in early 2004, the French government launched a national plan against piracy and counterfeiting in June of that year. The effort and publicity given to the French government's initiative in 2004 and 2005 demonstrates the government's commitment to trying to resolve or stem the damages resulting from these problems. The GOF and their multipliers have waged a professional public campaign, citing revenue (and tax) loss, public safety concerns, respect of cultural heritage, and rule of law as key elements, with school age and college age segments targeted. Within the European Union, GOF officials say they believe France provides leadership on this issue. GOF officials note that neighbors, such as Italy are not as forward-leaning on antipiracy issues.

[17.](#) (U) While France's traditional luxury good companies such as the LVMH (Louis Vuitton Moet-Hennessey) Group have been the most visibly affected by piracy, French officials point

to other sectors as well, including pharmaceuticals and automobile parts. French officials are equally concerned about counterfeiting of French trademarked products such as apparel, alcoholic beverages, cosmetics, jewelry, perfume, shampoo, sunglasses, purses, toiletries and watches. The French have expressed an interest in cooperating with other countries regarding piracy in third countries, such as China and Thailand.

18. (U) EU Biotechnology Directive: the Special 301 submission of the Biotechnology Industry Organization (BIO) addressed to USTR expresses concern about France and eight other EU member states which have not yet transposed the Biotechnology Directive (98//44/EC) into national law. Transposition of this directive was stopped in 2001 when parliamentary debate broke down over Articles 5 and 6, involving ethical aspects of human cloning. The Government has begun consideration of a revision of the 1994 bioethics law forbidding human cloning. Government officials expect the Parliament to address the transposition of the directive in late 2005.

Leach